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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/827,959	04/06/2001	Anthony Capobianco	50P4231	5433
27774	7590	07/14/2004	EXAMINER	
MAYER, FORTKORT & WILLIAMS, PC 251 NORTH AVENUE WEST 2ND FLOOR WESTFIELD, NJ 07090			NGUYEN, NGA B	
			ART UNIT	PAPER NUMBER
			3628	

DATE MAILED: 07/14/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

<b>Office Action Summary</b>	<b>Application No.</b> 09/827,959	<b>Applicant(s)</b> CAPOBIANCO ET AL.	
	<b>Examiner</b> Nga B. Nguyen	<b>Art Unit</b> 3628	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☒ Responsive to communication(s) filed on 06 April 2001.
- 2a) ☐ This action is **FINAL**.                      2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 1-21 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-21 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All    b) ☐ Some \*    c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- |                                                                                                                                             |                                                                                         |
|---------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)                                                                 | 4) <input type="checkbox"/> Interview Summary (PTO-413)<br>Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)                                                        | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152)             |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)<br>Paper No(s)/Mail Date <u>4/6/01</u> . | 6) <input type="checkbox"/> Other: _____                                                |

### DETAILED ACTION

1. This Office Action is the answer to the communication filed on April 6, 2001, which paper has been placed of record in the file.
2. Claims 1-21 are pending in this application.

### ***Claim Rejections - 35 USC § 101***

3. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

4. Claims 5-21 are rejected under 35 U.S.C 101 because the claimed invention is directed to non-statutory subject matter, particularly, an abstract idea.

The claims, as presently claimed and best understood were reconsidered in light of the "Examination Guidelines for Computer-Related Inventions" and were found to be non-statutory. Discussion of the analysis of the claims under the guidelines follows.

Claims 5-21 merely manipulate an abstract idea that is not within the technological arts. Mere ideas in the abstract (i.e., abstract idea, law of nature, natural phenomena) that do not apply, involve, use, or advance the technological arts fail to promote the "progress of science and the useful arts" (i.e., the physical sciences as opposed to social sciences, for example) and therefore are found to be non-statutory subject matter.

As to claims 5-21, the invention is not implemented on a specific apparatus; therefore, the invention is not directed to the technological arts. To be statutory, the utility of an invention must be within the technological arts. The definition of

"technology" is the "application of science and engineering to the development of machines and procedures in order to enhance or improve human conditions, or at least to improve human efficiency in some respect." (Computer Dictionary 384 (Microsoft Press, 2d ed. 1994)). When one looks to the present specification to determine what the applicant has invented, the invention appears to be a series of steps performed on a computer. It is clear that claims 5-21 are intended to be directed to the abstract method apart from the apparatus for performing the method. Therefore, claims 5-21 are non-statutory, because they are directed solely to an abstract idea without practical application in the technological arts.

***Claim Rejections - 35 USC § 103***

5. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

6. Claims 1-21 are rejected under 35 U.S.C. 103(a) as being unpatentable over Cohen et al, Jr. (hereinafter Cohen), U.S. Patent No. 6,505,171, in view of Iida, U.S. Patent No. 5,900,608.

Regarding to claim 1, Cohen discloses a computer-assisted method for tracking a balance amount associated with a prepaid card for purchasing goods or services, comprising:

via a processor, populating a database with a unique identifier associated with a prepaid card for purchasing goods or services (column 5, lines 4-10; transactional server 52 having the transactional database 46 storing a unique card identifier 38 associated with a prepaid card);

upon a sale of said prepaid card, associating an initial amount and a personal identifier with the unique identifier in the database (column 6, lines 1-10; a user record within the accounting database 46 includes the initial balance 46, a unique user identification 80 and the unique card identifier 38);

upon receiving a card verification request, verifying said unique identifier (column 11, lines 23-35; verifying the consumer input unique card number 38);

upon receiving a personal verification request, verifying said personal identifier (column 11, lines 17-23; verifying the consumer input unique user identifier 80;

upon receiving a balance verification request, verifying a balance amount of said prepaid card (column 8, lines 58-67); and

upon receiving transaction information regarding a transaction involving said prepaid card, adjusting said initial amount by a transaction amount corresponding to said transaction to create said balance amount (column 11, lines 57-60; the current balance is debited and a new balance is stored in the transactional database 46).

Cohen does not disclose a prepaid card for purchasing digital music. However, Cohen does teach a prepaid card for purchasing any goods or services over the Internet (column 6, lines 60-67). Moreover, Cohen discloses purchasing digital music using a

prepaid card (column 14, lines 10-13). Therefore, it would have been obvious to one with ordinary skill in the art at the time the invention was made to modify Cohen's to include digital music in Cohen's goods or services for the purpose of providing more convenient to the purchaser to purchase digital music using a pre-paid card over the Internet as taught by Cohen. Most of merchants required the purchaser submits credit card or bank card to purchase goods or services, e.g. digital music over the Internet. The use of pre-paid card provides benefits for purchasers who are not eligible for a credit card, who do not have a bank account with which a financial card may be lined, or who do not want to incur credit card debt, still have the opportunity to obtain digital music over the Internet.

Regarding to claim 2, Cohen discloses further comprising selling the prepaid card in response to receiving the initial amount (column 5, lines 47-55).

Regarding to claim 3, Cohen discloses further comprising receiving the personal identifier (column 11, lines 1-6; the transactional server receives a unique user identifier 80).

Claim 4 is written in computer software that parallel the limitations found in claim 1 above, therefore, is rejected by the same rationale.

Regarding to claim 5, Cohen discloses a method for facilitating procurement of goods or services with a prepaid card, comprising:

receiving from a purchaser an identification of a balance amount desired for a prepaid card for procuring goods or services (column 5, lines 37-55);

selling the prepaid card to the purchaser, the prepaid card including the

identified balance amount and a unique identifier (column 5, lines 53-57); and  
registering the balance amount, unique identifier, and a personal identifier  
associated with the purchaser (column 5, line 60-column 6, line 15; activating the pre-  
paid card).

Cohen does not disclose procurement of digital music with a prepaid card.  
However, Moreover, lida discloses purchasing digital music using a prepaid card  
(column 14, lines 10-13). See claim 1 for details motivation.

Regarding to claim 6, Cohen discloses entering the balance amount onto the  
prepaid card (column 5, lines 47-52).

Regarding to claim 7, Cohen discloses providing one of a plurality of prepaid  
cards, the provided prepaid card having a pre-existing balance amount less than or  
equal to the identified balance amount (column 5, lines 47-52).

Regarding to claim 8, Cohen discloses providing the unique identifier to the  
prepaid card (column 5, lines 55-58).

Regarding to claim 9, Cohen discloses receiving the personal identifier from the  
purchaser (column 11, lines 1-6; the transactional server receives a unique user  
identifier 80).

Regarding to claim 10, Cohen discloses a computer-assisted method for  
facilitating purchases of goods or services with a prepaid card, comprising:

receiving the prepaid card as an instrument in a financial transaction  
involving goods or services (column 5, lines 37-60);

verifying that the prepaid card has a balance amount sufficient to complete

the financial transaction (column 8, lines 60-67); and

modifying the balance amount to reflect a transaction amount related to the financial transaction (column 11, lines 57-61).

Cohen does not disclose purchasing of digital music with a prepaid card. However, Moreover, lida discloses purchasing digital music using a prepaid card (column 14, lines 10-13). See claim 1 for details motivation.

Regarding to claims 11, 13, Cohen does not disclose reading the balance amount and a unique identifier from the prepaid card. However, reading the balance amount and a unique identifier from the prepaid card using a card reader is well known in the art. Therefore, it would have been obvious to one with ordinary skill in the art at the time the invention was made to modify Cohen's to include the feature above for the purpose of providing more convenient, easily and time consuming for the purchaser to submit prepaid card information to the merchant, because with the use of the card reader, the purchaser need not to manually enter the card information such as card number, sometimes the purchaser enter wrong and has to re-enter again.

Regarding to claim 12, Cohen discloses obtaining the balance amount from a database (column 8, lines 58-60).

Regarding to claim 14, Cohen discloses sending a transaction amount to a database (column 11, lines 32-35).

Regarding to claim 15, Cohen discloses a method for procuring a prepaid card for obtaining goods or services, comprising:



requesting a prepaid card for purchasing goods or services (column 5, lines 37-60);

selecting a balance amount for the prepaid card (column 5, lines 47-51);

selecting a personal identifier for the prepaid card (column 5, lines 23-25); and

procuring the prepaid card (column 5, lines 37-60).

Cohen does not disclose procurement of digital music with a prepaid card.

However, Moreover, lida discloses purchasing digital music using a prepaid card (column 14, lines 10-13). See claim 1 for details motivation.

Regarding to claim 16, Cohen discloses receiving the prepaid card, the prepaid card being associated with the selected personal identifier (column 5, lines 55-57).

Regarding to claim 17, Cohen discloses receiving the prepaid card, the prepaid card being associated with the selected balance amount (column 5, lines 47-51).

Regarding to claim 18, Cohen discloses a method for purchasing of goods or services with a prepaid card, comprising:

providing a prepaid card to affect a transaction involving goods or services, the prepaid card having a unique identifier (column 5, lines 47-57), the transaction resulting in a modification to a balance amount associated with the prepaid card (column 11, lines 57-61); and

providing a personal identifier associated with the prepaid card to authenticate said provision of the prepaid card (column 6, lines 1-10).

Cohen does not disclose procurement of digital music with a prepaid card. However, Moreover, lida discloses purchasing digital music using a prepaid card (column 14, lines 10-13). See claim 1 for details motivation.

Regarding to claim 19, further comprising selecting digital music for the transaction and receiving the selected digital music in response to the transaction.

Regarding to claim 20, Cohen discloses receiving notification when the balance amount associated with the prepaid card is below a predetermined value (column 8, lines 59-67).

Regarding to claim 21, Cohen discloses a prepaid card, said card including a unique card identifier, a balance amount, and a personal identifier (column 6, lines 5-10; unique card identifier 38, initial balance 61, unique user identification 80). Cohen does not disclose purchasing of digital music with a prepaid card. However, Moreover, lida discloses purchasing digital music using a prepaid card (column 14, lines 10-13). See claim 1 for details motivation.

### ***Conclusion***

7. Claims 1-21 are rejected.
8. The prior arts made of record and not relied upon is considered pertinent to applicant's disclosure:

Kupka et al. (US 6,434,535) disclose a system for prepayment of electronic content using removable media.

Risafi et al. (US 6,473,500) disclose a system and method for using a prepaid card.

9. Any inquiry concerning this communication or earlier communications from the examiner should be directed to examiner Nga B. Nguyen whose telephone number is (703) 306-2901. The examiner can normally be reached on Monday-Thursday from 9:00AM-6:00PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Hyung S. Sough can be reached on (703) 308-0505.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the Group receptionist whose telephone number is (703) 306-1113.

10. Any response to this action should be mailed to:

Commissioner of Patents and Trademarks  
C/o Technology Center 3600  
Washington, DC 20231

Or faxed to:

(703) 872-9326 (for formal communication intended for entry),

or

(703) 308-3691 (for informal or draft communication, please label "PROPOSED" or "DRAFT").

Hand-delivered responses should be brought to Crystal Park 5, 2451 Crystal Drive, Arlington, VA, Seventh Floor (Receptionist).

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Nga B. Nguyen

*Nga Nguyen*  
July 7, 2004